556 181 An intelligent woman once summed up for me the peasant's attitude toward labor and money in this terse fashion:

"Most people work because they want money. Everyone looks for money."

511 181 434 Although the peasant considered money of greater importance than formerly because he was becoming more and more a part of a money economy, he really handled very little in the course of a year. The annual income for a family of four or five was less than two hundred dollars, an amount that came into the family coffer in driblets and was paid out as slowly as possible. After the autumn market or the sale of a cow, the peasant was flush with money, but when he had bought the necessities which he could not produce for himself (kerosene, shoes and other articles of clothing, rice, salt, and some hardware) he was little better off financially. If a member of the family worked outside the home, his wages were a considerable help, especially when some of the many taxes were due.

465 181 I asked nine young men, picked at random, about the money they earned. Their monthly income varied from the meager equivalent of $6 a month earned by a twenty-five-year-old servant and an eighteen-year-old shepherd to $66 earned by a twenty-year-old milkman. There was only one who kept more than half of his earnings for himself. He explained apologetically that the reason he did not turn these over to his father was that he had to pay board and rent in Sofia, where he worked.

454 181 Very few Dragalevtsy people accumulated savings in the bank. They preferred, like people all over Bulgaria, to invest money in real estate. The city people did it because of the security of investment, whereas the peasants, especially in Dragalevtsy, were more interested in possessing land for its own sake.

● 426 181 The great majority of the peasants were in debt, though many debtors were also creditors. Those specializing in field crops preferred long-term loans, usually for fifteen or twenty years, with land as security, while sheep owners usually sought short-term loans of three or four months. One village merchant, to whom many peasants came for advice, estimated that 70 per cent of the loans were taken from [652] banks and 30 per cent from individuals. The government had done much in the past through periodic moratoria to reduce the amount of indebtedness.

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the mine, had nominated 75 partisans as supernumeraries at a daily wage varying between 120 and 150 leva and that these busybodies never presented themselves at the mine even to receive their salaries, but that they had their emoluments regularly remitted to them at their domiciles. Another 170 persons had likewise been appointed in order to receive stipends but without doing any work. The new administration dismissed all redundant functionaries and by the beginning of 1935 the staff had been reduced from 5750 early in 1934, to 5100. The cost of extraction nad been diminisued from an average of 217 leva per ton in 1933, to 193 leva in 1934, and the quantity of coal extracted per day of 8 working hours per miner had increased from 753 kg. to 839 kg. The total output of the mine for 1934 reached the record figure of 1,266,000 tons. A saving of some 30 millions had been realised in the working of the mine, in spite of a decrease of 20% in the price of the coal delivered to the State railways and of 10% to 16% in that furnished to other consumers, which reductions could be estimated as amounting to some 55 millions. The new management likewise attempted to improve the social amenities of the working people and was reported to have provided free meals for the children of the miners attending school, to have opened crèches, and replaced 500 miners, who possessed sufficient incomes to live independently, by others who had no resources whatever, a fact which shows that the colleagues of M. Gheorghiev were decided not only to effect economies, but also to deal out as large a measure of social justice as possible.

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Another noteworthy measure passed by the Government was the law relative to the alleviation of debts, which radically solved a problem which was hanging fire for years. Owing to a drop of about 65% in the prices of agricultural produce between 1920 and 1933, the peasantry

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426 663 found itself utterly unable to meet its obligations and it became imperative to tackle drastically the question of indebtedness so as to permit debtors to fulfil their obligations and thus reopen the channels of credit which momentarily had become choked, and impart a new impetus to the economic life of the country which was threatening to come to a standstill. The measure aimed chiefly at helping the small farmers, and to a lesser degree the artisans and small traders. They affected debts up to 300,000 leva and contracted prior to January 1, 1931, which were reduced by this decree to the extent of 40% 30%, and 20% respectively for each of these three categories of debtors Certain mitigations were granted to those who had contracted debts as sureties, while debtors owing over 300,000 leva were awarded a reduction in the rate of interest hitherto payable on their debts, as well as an extension of time for their repayment. The losses entailed were to be taken over by a specially created institute to which the State would henceforth affect revenues from certain imposts to the amount of some 220 milions annually which would suffice to meet the liabilities created by this measure. Private debts are estimated at about 12 milliard leva and it is reckoned that about 50% of the total will benefit rom this law. By July 1935, 281,177 claims had been registered with the special „caisse d'amortissement" created for this purpose for a total sum of 6,417,043,822 leva according to the Bulletin of the Agricultural Bank for July 1935. It is interesting to note that some 600 communes were reported as having filed claims, among which figured some municipalities of large towns such as Pleven and Plovdiv, a fact which proves that municipal finances are in a bad state in Bulgaria. For years previously both the Agrarianss and Communists had been making capital of this question of private debts and instigating debtors not to pay, promising the electorate that if it voted for them

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they would pass a law abolishing all private indebtedness. It is gratifying to note that in spite of all this arrant demagogy and incitement to default. the peasantry has not deviated from its traditional honesty, and that in spite of the crisis it has done its best to meet its liabilities. The annual reports of the Agricultural Bank show that its advances to the peasants have during the years 1930 to 1933 slowly but steadily decreased and that their total indebtedness to the bank had been reduced by 300 million leva at the end of 1933, as compared with the year 1929. In the bank's report for 1933 it is stated that the peasantry has ceased increasing its indebtedness owing to its being conscious of the necessity of adjusting its debts to the present level of their income, a fact which speaks very highly of its common sense as well as of its determination to maintain its standard of integrity by which Bulgarians have so far distinguised themselves from their neighbours.

One of the most active members of the Cabinet was its Finance Minister, M. Peter Todorov, who in a brief period of a few months succeeded in settings order in his department so that the salaries of public functionnaries which were some five months in arrear, began being paid again regularly. Debts to Government contractors which had remained unpaid for years were liquidated and with indefatigable energy M. P. Todoroff set creating new sources of revenue for the State. These were the monopolies of alcohol, tobacco, salt, light mineral oils and school text books. There was an intensive contraband carried on in alcohol, and the State was being deprived of millions of revenue which otherwise ought to have flowed into its coffers. The returns of the Excise on spirituous drinks were yearly diminishing correspondingly with the reported consumption of both beer and alcoholic drinks as may be noted from the following table:

of the reorganisation of agriculture in Bulgaria is a most pressing one if a social upheaval is to be avoided at no distant date. 241 434

Prof. Tsolakov has carefully calculated the revenue of all items of income of farmers from the various cereals, vegetables, fruit, poultry, cattle etc. they raise, as well as the disbursements they make for the purchase of similar articles for their personal requirements in cases where they do not produce one, or several of these articles on their own farms and have to sell certain surpluses, if they have such, in order to buy what they do not produce, and he has come to the conclusion that farmers possessing up to 2 hectares have an annual deficit as regards their needs in agricultural produce of 4,226 leva per farmstead, those possessing 2 to 5 hectares have a surplus of 402 leva, those with 5 to 10 hectares a surplus of 7,103, those with 1[illegible] to 15 hectares a surplus of 15,632, and those of over 1[illegible] hectares a surplus of 19,919. However, the rural population has other needs besides agricultural produce, which mainly represents food, namely: clothing, light, fuel, etc., and if these requirements be taken into consideration the farmsteads would show the following position as to revenue and expenditure:

Farmsteads up to 2 hectares:	Annual deficit	7,226	leva
" from 2 to 5 "	" "	4,598	"
" " 5 to 10 "	" surplus	103	"
" " 10 to 15 "	" "	5,632	"
" of over 15 "	" "	6,919	"

As a consequence, farmers have been unable to pay their taxes, or to refund their debts. Prof Tsolakov has appended the results of an examination into the accounts of 487 individual farmsteads in the region of Varna, and gives these most impressive data as to the hopeless position in which the peasantry finds itself. Arrears of unpaid taxes have been accumulating for the past years, and there 241 651 426

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is practically no prospect of their ever being met. The following figures are self-explanatory:

Cases	Area of farmsteads	Arrears of taxes 1925—6 to 1932—3 (forx each category of farmsteads)	Tax for 1933—4	Fines	Total mount of taxes owing
144	up to 1 hectare	79,943 leva	12,016 leva	10,200 leva	102,150 leva
79	1 to 2 „	97,232 „	20,368 „	20,661 „	138,311 „
75	2 to 3 „	132,317 „	31,883 „	29,498 „	193,698 „
83	3 to 5 „	236,560 „	53,260 „	54,575 „	334,495 „
65	5 to 10 „	229,741 „	75,310 „	49,575 „	354,626 „
33	10 to 20 „	132,250 „	73,650 „	55,799 „	261,699 „
8	over 20 „	241,675 „	32,683 „	126,358 „	400,716 „

The amount of individual indebtedness has also been inquired into, and this has been computed as follows.

Farmsteads of	To Agricultural bank	To Co-operative bank	To the State (taxes mainly arrears)	To Municipality	To Private persons	Total
up to 2 hectares	7,360[1]	1,710	970	170	12,050	22,260
of 2 to 5 „	3,820	600	530	60	4,410	9,420
„ 5 to 10 „	2,930	580	360	50	2,370	6,290
„ 10 to 15 „	2,950	440	220	—	1,600	5,210
„ over 15 „	2,800	290	400	40	1,190	4,720

From the above data it will be evident that the smaller farmers are hopelessly insolvent since the actual value of arable land is between 5,000 to 8,000 leva per hectare.

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With regard to the production of cereals Prof. Tsolakov calculates that the average deficit of farmsteads

[1] According to a statement made in the Sobranye on Feb. 26 1932, peasant indebtedness to the Agricultural Bank amounted to 4,096,043,000 leva at the end of 1931. Farmsteads of 10 hectares owed it 3360 per hectare, and those of 10 hectares and over, 2170 leva per hectare. The total value of the 4,469,987 hectares under cultivation was estimated in 1927 at 83,933,620,000 leva, rural buildings at 34,845 millions, the live stock at 19,927,205,000 leva and agricultural inventory at 4,760,149,000 leva. By 1932 values had fallen by 60% so that the value of farm property was estimated at only 50,000 millions and the debts of the farmers then amounted at only 12,000 millions. The total revenue from agriculture, had dwindled from 23,347 millions in 1929 to under 13,000 millions in 1930, as the Minister of Agriculture affirmed in the Sobranye on March 6. 1932.